1:Stanford U. S-4, 5 1956 AF12 North China
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631 the resources of the primary economic area,
175 China did not again experience a protracted
433 period of disunity until the Taiping Rebellion in the mid-nineteenth century. Though free from the risks and losses of ocean transport and less vulnerable to pirate raids along the coast, the inland waterway was increasingly costly to operate and maintain. This fact and the military danger of over-reliance of the capital on the South for grain induced the Yüan, Ming, and Ch'ing dynasties to attempt development of the Hui River area near Peking by the construction of additional irrigation systems. The productive results of the projects never came up to expectations, however, because the climate and soil of the area were unfavorable.[15]

441 During the same period in Shansi,
175 individual initiative developed numerous similar
[312] hydraulic works in the province. Such private
[471] activity was uncommon in China and seems to
[565] have been an outgrowth of the relatively high
[438] degree of commercial development in Shansi.[16] The rise of a merchant class in the province began with the Shansi people's participation in trade with the Mongol nomads at state-regulated markets, established on the frontier

15. Ibid., p. 144.
16. Ibid., p. 144.

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The county seats
634 (hsien capitals) were the centers for tax col-
488 lection and administration of the surrounding farm-villages and also served as market towns where the peasant might sell his crop and purchase the manufactured goods he could not produce.

511 Town life for the average partisan was as meager as for his relatives in the village. Long hours, hard work, low pay, few holidays were the lot of most, and living conditions were generally poorer and more crowded than those in the villages. Proprietors of many shops required their employees to live on the premises, so that they seldom visited their families. The diet of the town dweller was as poor as that of the poor farmer -- mostly cereals, vegetables, and some condiments, and meat and fruit on
527 holidays only. Brief holidays were allowed at the New Year, the Ching-ming festival, the mid-Autumn festival, and the Dragon Boat Festival. On these occasions, townspeople usually tried to return to their villages; if this was impossible they enjoyed such delicacies as they could afford and strolled the streets, perhaps visiting friends and attending season fairs and theaters.

369 Life in the towns was, then, closely linked with village. But in the larger cities such as Peking, Tientsin, Taiyuan, and Ta-t'ung, life in some respects has been greatly altered by the modernization that spread slowly from the coastal to the inland cities. The streets are paved, and schools, newspapers, motion pictures, and radio make the people more aware of the outside world than are their cousins in the towns and

1:Stanford U. S-4, 5 1956 AF12 North China
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and Shansi is shipped by rail to East China by way of the Peking-Hankow, the Hankow-Canton, the Tientsin-Pukou, the Tsinan-Tsingtao, and the Shihchiachuang-Taiyuan railways. Coal from the mines at Kailan meant for East China ccastal cities is usually loaded at Chinwangtao Harbor.[35]

XII. DOMESTIC TRADE

"State socialism" is the guiding principle for the economy of Communist China. The present stage of transition allows for state-owned, co-operative, state-capitalist, and individual trade and industry.

A. State-owned Trading Companies

In 1950, six domestic trading companies were established with branches and sub-branches in nearly all of the major cities of North China. These are: the China Food Company, the China Textile Company, the China Salt Company, the China General Merchandise Company, the China Coal and Building Materials Company, and the China Native Products Company.[36] The

35. Economic Weekly, Shanghai, May 25, 1950, p. 9.

36. Newspaper Reading Handbook, Hankow, Yangtze Daily, 1950, pp. 422-23.

1;Stanford U. S-4, 5 1956 AF12 North China
~~AF12~~ AF 12

438 China General Merchandise Company and the
655 China Native Products Company have established branches even in rural areas.[3] The volume of trade of state-owned companies has increased since 1950 - nearly 300 per cent by 1952, although the total volume of trade throughout China may not have increased correspondingly. Regional trade of state-owned companies in North China probably increased at about the same rate.[38]

By the end of 1954, the number of state-owned trading companies in China as a whole had increased approximately 45 per cent over the number controlled by the state in the previous year.[39]

435 The general level of commodity prices was unchanged during 1954 as a result of the rationing of grain and other staples. In eight major cities, including Peking and

37. Yuan-li Wu, An Economic Survey of Communist China, New York, Bookman Associates, 1956. p. 380.

38. People's China, Peking, Jan. 16, 1954, p. 5.

39. Current Background, Hong Kong, U.S. Consulate General, Sept. 29, 1955, p. 8.

2: Gamble S-5 (1926-1933)1954 . AF12 North China AF12

CHAPTER IV

Home Industry Families

IN ORDER to round out our study of village home industry (see Chapter XV) and secure more complete and detailed figures than was possible in our hsien wide survey, a family by family study was made, in 1932, of six neighboring villages in the 6th District north of the T'ang River. Their location is shown on the hsien map on page 5. The villages varied in size from 120 to 1,100 families. The total in the six villages was 2,260. Seventeen hundred and forty families, 77 per cent, reported some home industry. In the individual villages the proportion varied from 70 to 96 per cent.

The number of persons in the 2,260 families was 12,655, an average of 5.6 persons per family. In the individual villages the average number of persons per family varied from 4.5 to 6.9. In the 5,255 families in the 1st District the average family had 5.8 persons.

The six villages had a total of 30,521 mu of farm land, an average of 13.5 mu (2.25 acres) per family and 2.4 mu (0.4 acres) per person.[1] This was only two-thirds of the hsien average. In the individual villages the average amount of land per person ranged from 1.1 to 5.3 mu. The largest village had the smallest amount of land per family, 9.5 mu. The smallest village had the largest average per family, 27.5 mu.

Besides having the smallest amount of land per family, the largest village also had the smallest proportion of families engaged in home industry, 70 per cent. The home industry families, however, compensated, at least in part, for their smaller farm income by more industrial work. The average time they worked during the year was over 50 per cent more than the average of the next most active village and more than twice the average of the village with the least industrial activity.

It had been our original intention to study all of the home industry

1. It was reported (1950) that the Central People's Government land program allowed a family to hold 2.5 mu per person.

1 [See Cat. 116, p. 5 -- Analyst]

2: Gamble S-5 (1926-1933) 1954 AF12 North China AF12

121 438 families in the six villages, but when we found that in one village all of the 770 home industry families were weaving reed mats it seemed reasonable to take a random sample of 250 families as representative of that village and its industry. That sample, plus all of the home industry families in the five other villages, made the total number of families studied 1,220. Our composite figures for the six villages are based on the 1,220 families. We have not attempted to interpolate, from the 250 family sample, figures for all of the 770 home industry families in the mat weaving village.

438 In size the home industry families ranged from one to 30 members with the average 5.2 persons. This was 0.4 less than the average for all families in the six villages but the difference was not unexpected. In an agricultural community the poorer and therefore the smaller sized families would more generally be the ones to supplement their income from agriculture with income from industry. Fifty-one per cent of the home industry families had less than five members. Only 6.6 per cent had 10 or more members.

The sex division was 53 per cent male, 47 per cent female. This was a higher proportion of males than the 51.4 per cent of the 5,255 families and the 51.2 per cent of the 515 families. Part of the difference again was undoubtedly due to the larger proportion of small families in the home industry group. Fifty-one per cent of the 1,220 families had less than five members as compared with 37.4 per cent in the 5,255 families and 27.8 per cent in the 515 families. Figures for the home industry families definitely indicate that there is generally a higher proportion of males in the smaller families. In one group of families, which averaged 4.1 persons per family, 56.3 per cent were males. In another group, averaging 8.1 persons per family, 50 per cent were males.

The average number of workers per family was 2.7: 1.1 males and 1.6 females. Just under 40 per cent of all the males in the home industry families were working and just over 65 per cent of the females. The ease with which spinning can be carried on as a part time occupation was apparently the principal reason for the high proportion of females working.

438 286 The number of families and individuals engaged in the different industries in the six villages shows that processing the locally grown cotton was the chief industry of the Ting Hsien area. Except for the families in the mat weaving village there were only 14 home industry families

2: Gamble S-5 (1926-1933)1954 AF12 North China AF12

that did not have one or more members working on cotton, ginning, beating, spinning, or weaving. This was only 1.5 per cent of the home industry families in the five villages. Only 12 females and 72 males in those villages were non-cotton workers, 0.6 per cent of the female workers and 5.4 per cent of the male workers. If the families in the mat weaving village are included, 80 per cent of the workers in the 1,220 families were working on cotton.

More than one industry was reported by 27 per cent of the families. There were 321 with two industries and eight with three. Ginning, spinning, and weaving was one series. Spinning, weaving leg bands, and making brooms was another.

Two kinds of work were reported by 10.5 per cent of the female workers but only 1.1 per cent of the males. None reported more than two. Spinning and weaving covered all the duplications for the 10 males and all but four of 210 duplications for the females.

The villages show an interesting concentration of industry. One village had only mat weaving. Some thread was spun in that village but it was all used in binding the mats so was not listed as a separate activity. All the bags were woven in one village. All but two of the 124 families weaving belts and leg bands lived in one village. Two-thirds of the industries reported were found in only one of the six villages. Bean curd making, cotton ginning and spinning, and cloth weaving were the only industries reported by five villages.

The items covered in our study of the 1,220 families made it possible to relate the family's land holdings to the size of the family, sex distribution, number of workers, and the proportion of the males and females working. The figures are given in Table 33.

Small land holdings were the rule. Eleven per cent of the families had no land and 82.2 per cent had less than 25 mu. Less than 1.0 per cent had 100 or more mu. As the amount of land held by the family increased the size of the average family generally increased. It was 4.1 persons for the landless families and 14.1 persons for those with 75–99 mu. As mentioned above the proportion of males decreased as the amount of land and the size of the family increased.

The average number of male workers per family did not change appreciably except in the highest group. Generally it was about 1.0 per family. In the 100 mu group, however, the average was only 0.1 male worker per family. For the females the average number of workers per

2: Gamble S-5 (1926-1933) 1954 . AF12 North China AF12

438 462 family increased as the size of land holdings and the size of the family increased. It was 1.2 for the landless group but three times that for the 75–99 mu group.

438 462 565 The proportion engaged in home industry decreased for both the males and the females as the land holdings increased. The highest top figures were 45.0 per cent for the males and 69.2 per cent for the females. Both were in the under 25 mu group. If we assume that from 25 to 30 per cent of the females were girls too young to work (in our 5,255 families 25.3 per cent of the females were under 12 and 29.2 per cent were under 14 years of age), it seems evident that almost all of the older females in the families with less than 25 mu were doing some home industry. Even in the families with 100 or more mu of land 45.3 per cent of all the females were reported as working in home industry. Spinning is easy to do and the extra personal income undoubtedly appealed.

438 Detailed figures for three villages showed that from 40 to 57 per cent of the home industry workers began working before they were 15 years of age and that from 92 to 96 per cent began before they were 20 years of age. In one village there were two men who said they began working before they were 10 years old. There were two men and three women who began after they were 50 while one man and one woman said they started after they were 60 years old. Eleven persons said they had worked 65 or more years. Two women claimed to have worked 70 years.

438 433 The value of the annual industrial output was estimated to be $279,715, an average of $230 per family and $85 per worker. The average profit was estimated to be 16.4 per cent, $37.60 per family and $13.95 per worker per year. For the entire hsien the average income from home industry was estimated as $12.50 per family.[2]

The profit figures for the males and females show a wide range in the different villages. For the males the amount varied from $10.50 to $34.45. For the females the lowest amount was an average of $3.65 per year, one cent a day. In four villages the amount was less than $8.20 per year. The highest amount was $24.05 but that was in the mat weaving village, where it was impossible to separate the work of the men and the women and both had to be given the same average. If the division could be made, the average for the females would undoubtedly be considerably lower and that for the males correspondingly higher.

438 While we found it difficult to get an accurate estimate of the amount

2. See Chapter XV.

2: Gamble S-5 (1926-1933)1954 AF12 North China AF12

of time worked during the year we have taken the workers' estimate of the time they spent on home industry, reduced it to 10 hour days and figured the average earnings per day. The average number of full working days reported in the different villages varied from 81 to 190 for the males and from 51 to 190 days for the females. The top figures for the men and women were the same as they were for the mat weaving village, where no sex division was possible. The figures indicate that generally the males engaged in home industry worked an equivalent of between three and four months of full time days a year, the females between two and three months.

The amount of earnings per full working day showed considerable consistency even though they had to be based on estimates. For the men the amount was around 15 cents per day. For the women it was eight or nine cents per day, less than one cent an hour.

The total annual income from all sources was estimated to be $226,460. Twenty per cent of the income came from the profit on home industries. The average income was $185 per family and $34.20 per person. These average amounts were only 53 and 63 per cent of the corresponding averages for the 400 farm families. In the six villages the average annual income per family varied from $152 to $249, the amount per person from $30 to $39.50.

The reported expenditure averaged $155 per family, $29.70 per person. There was an apparent surplus of $30 per family, but probably much of this was the result of omissions in estimating the family expenditure and the actual surplus was considerably less than that amount. Thirty per cent of the families reported a deficit.

In one village four of the 274 home industry families reported incomes of less than $50 per year. These probably were the three single person families, all males, and one of the two person families. Twenty families reported expenditure of less than $50 per year. This was two-thirds of the one and two person families in the village. Only one out of eight of the families reported incomes of $25 or more per month. For all the home industry families in the village the average income was $178 per family, $39.50 per person. The expenditure was $138 per family, $31 per person per year.

2: Gamble S-5 (1926-1933) 1954 . AF12 North China AF12

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TABLE 30. FAMILIES, PERSONS, LAND, HOME INDUSTRY FAMILIES, WORKERS
(six villages)

Families, total	2,260	Persons, total	12,655
With home industry	1,740	Average, all families	5.6
Per cent of total	77.0	In 1,220 families	6,365
Home industry families studied	1,220	Average	—
		Males	3,371
		Females	2,994
		Per cent male	53.0

Farm land, total mu	30,521
Average per family	13.5
Average per person	2.4
In five villages (mat weaving village omitted)	
Average per family	17.3
Average per person	3.2
Home industry families	15.4
Average per person	2.8

Workers, 1,220 families	3,288
Average per family	2.7
Males	1,329
Females	1,959
Per cent male	40.4
Average per family	
Males	1.1
Females	1.6
Males working	39.4%
Females working	65.4%

Size of Home Industry Families

Persons	*Families*	*Per Cent*	*Persons*	*Per Cent*
Under 5	622	51.0	1,990	31.3
5–9	517	42.4	3,258	51.1
10–14	58	4.8	661	10.4
15–19	14	1.1	233	3.7
20–24	5	0.4	112	1.8
25 and over	4	0.3	111	1.7
	1,220	100.0	6,365	100.0

2: Gamble S-5 (1926-1933)1954 . AF12 North China AF12

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TABLE 31. FAMILIES, HOME INDUSTRY FAMILIES, PERSONS, LAND—PER VILLAGE

Village	Total Families	Average No. of Persons	Average No. of Mu	Home Industry Families	Per Cent in Industry	Average No. of Persons	Per Cent in Industry	Average No. of Mu
1	340	4.5	12.1	274	80.6	4.5	72.3	12.7
2	180	6.9	17.2	174	96.7	6.7	50.5	14.9
3	250	6.5	18.5	229	91.6	6.5	34.7	16.5
4	120	5.2	27.6	92	76.7	4.7	53.6	21.5
5	270	4.6	18.5	201	74.4	4.7	49.9	15.5
6	1,100	5.8	9.5	250[1]	70.0	4.5	53.5	n.d.
Total or average	2,260	5.6	13.5	1,220	77.0	5.2	51.6	

[1] 250 family sample of 770 mat weaving families.

TABLE 32. INDUSTRIES AND WORKERS

	Families	Males	Females	Totals
Bean curd	10	11	3	14
Boxes	2	2	–	2
Brooms	3	3	–	3
Buckets	1	1	–	1
Candy	1	3	–	3
Cotton ginning	20	37	13	50
Firecrackers	1	2	–	2
Flour	6	8	5	13
Hatchets	1	1	–	1
Horsehair sieves	1	1	–	1
Noodles	1	1	–	1
Oil pressing	12	30	4	34
Plows	2	3	–	3
Sausage casings	1	2	1	3
Shoemaking	1	1	–	1
Soap	8	10	–	10
Spinning	684	170	1,111	1,281
Weaving, bags	68	63	11	74
——, belts and leg bands	124	47	105	152
——, cloth	359	359	712	1,271
——, mats	250[1]	388	205	593
	1,556	1,343	2,170	3,513
Per cent duplication	27.5	1.1	10.5	6.7

[1] 250 families taken as sample of 770 mat weaving families.

2: Gamble S-5 (1926-1933) 1954 . AF12 North China AF12

438 TABLE 33. HOME INDUSTRY FAMILIES, AMOUNT OF LAND OWNED

Land	No. of Families	Per Cent	Total Males	Total Females	Per Cent Male	Size of Average Family
None	134	11.0	309	239	56.3	4.1
Under 25 mu	869	71.2	2,182	1,875	53.9	4.7
25–49	156	12.8	513	531	49.1	6.7
50–74	39	3.2	215	197	52.1	10.6
75–99	14	1.1	99	99	50.0	14.1
100 and over	8	0.7	53	53	50.0	13.2
	1,220	100.0	3,371	2,994	53.0	5.2

Land	Workers, Male	Workers, Female	Workers Per Family Males	Females	Total	Per Cent Working Males	Females	Total
None	134	160	1.0	1.2	2.2	43.5	66.9	53.6
Under 25 mu	982	1,299	1.1	1.5	2.6	45.0	69.2	56.2
25–49	149	330	1.0	2.1	3.1	29.0	62.0	45.7
50–74	50	96	1.3	2.5	3.8	23.2	48.7	35.4
75–99	13	50	0.9	3.6	4.5	13.1	50.5	31.4
100 and over	1	24	0.1	3.0	3.1	1.9	45.3	23.6
	1,329	1,959	1.1	1.6	2.7	39.4	65.4	51.6

TABLE 34. ANNUAL OUTPUT, PROFIT, DAYS WORKED, PROFIT PER DAY

Output, estimated value	$279,715	Profit, estimated	$45,900
Per family	$230.00	Per family	$37.60
Per worker	$85.00	Per worker	$13.95
		Average profit	16.4%

Village	Profit per Worker per Year Male	Female	Days Worked per Year Male	Female	Profit per Day Male	Female
1	$11.95	$ 8.15	120	96	$0.10	$0.09
2	28.50	17.40	123	109	0.23	0.16
3	34.45	3.65	90	51	0.38	0.07
4	14.10	4.55	101	67	0.14	0.07
5	10.50	6.45	81	72	0.13	0.09
61	24.05	24.05	190	190	0.13	0.13

[1] No sex division possible.

2: Gamble S-5 (1926-1933)1954 AF12 North China AF12

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TABLE 35. FAMILY INCOME AND EXPENSES

Income reported, total	$226,460	Families reporting:	
Per family	$185.00	Surplus	784
Per person	$34.20	Deficit	374
Proportion from home industry	20.2%	Balanced budget	62
			1,220
Expenses, total	$188,925		
Per family	$155.00	Amount of surplus	$45,035
Per person	$29.70	Amount of deficit	$7,560

Income and Expense Distribution
Village No. 1

Amount	*Income Families*	*Expense Families*
Under $50	4	20
50–99	53	60
100–149	65	80
150–199	61	50
200–249	22	41
250–299	35	19
300 and over	34	4
	274	274

Average Income and Expense

Village	*Income per Family*	*Income per Person*	*Expense per Family*	*Expense per Person*
1	$178	$39.50	$138	$31.00
2	249	35.70	202	30.20
3	196	30.00	174	26.80
4	162	33.70	144	30.60
5	182	38.70	171	36.20
6	152	34.30	113	25.20
	$185	$34.20	$155	$29.70

2: Gamble S-5 (1926-1933)1954 AF 12 North China AF 12

CHAPTER XV

Industry

INDUSTRY in Ting Hsien was that of a non-mechanical, agricultural area. Power was almost entirely animal or human. The tools were mainly hand tools. The principal machines were the stone flour mill, the cotton gin, the cotton batting machine, the spinning wheel, the loom, and the Persian wheel for irrigation.

Because Ting Hsien was so predominately an agricultural area (96 per cent of its families farmed some land) only a small proportion of the industrial workers were engaged in year round industry. Most of them were farmers who turned to other occupations during the idle months on the farm. Because most of the industrial processes were relatively simple and required few tools and little capital, there was a large amount of home industry.

Industry, both home and shop,[1] engaged some 91,000 workers, about one in five of the total population and one in three of those over 14 years of age. The workers were divided approximately 24,500 males and 66,500 females. Approximately 12 per cent of all males and 34 per cent of all females were engaged in some form of industrial work. For those over 14 years of age the figures were males 18 per cent, females 50 per cent.

Every village had some form of home industry. Fifty-two per cent of the families in the hsien were engaged in some form of home industry. Fifty-seven per cent of the industrial output was produced by home industry. There were twenty times as many home industry families as there were industrial shops. There were ten times as many home workers as there were shop employees. Only 2.1 per cent of the population were shop workers.

Eighty-one per cent of the home workers were females, but only 4 per cent of the shop employees. Only one-quarter of one per cent of the females over 14 years of age were reported as shop workers. Two

1. Shop is used for the non-family industrial workshop where production was the main activity. Store is used for the place where buying or selling, or both, was the primary business. See Chapter XIV.

2: Gamble S-5 (1926-1933) 1954 AF 12 North China AF 12

438 thirds of the male workers and 99.5 per cent of the female workers were engaged in home industry. The widespread hand spinning and weaving of the locally grown cotton accounted for the very large proportion of female workers. Over 60,000 were spinning, weaving, or both. Another 6,000 were engaged in other kinds of work. Eighty-eight per cent of the home industry workers were engaged in spinning, weaving, or both. About one-third of all females in the villages and some 8 per cent of the males were engaged in some form of home industry.

438 472 128 Because some families and workers were engaged in more than one industry there was unavoidable duplication in the home industry figures for both families and workers. In determining the above figures we have made allowance, on the basis of the actual duplication in 1,220 home industry families (see Chapter IV), for the known but necessarily estimated duplication in our hsien totals. In the 1,220 families the duplication was 27.5 per cent for the families, 10.5 per cent for the female workers, but only 1.1 per cent for the male workers. Spinning and weaving covered all but 2 per cent of the workers' duplications. In our industry tables we have not attempted any adjustment in the totals as the duplication can only be estimated. It must, however, always be kept in mind when the family and worker totals are considered.

In some cases it was difficult to make a sharp distinction between home and shop industry. The payment or non-payment of wages to the workers has been the chief determining factor. Home industry generally did not involve paid workers though they might be hired occasionally during especially busy times. Home industry generally was carried on in winter or other leisure time, but might be year round. Shop industry was generally year round, but might be seasonal. Apprentices were employed in some of the shops. Cotton ginning, which in some instances was done in the homes, has been listed as a shop industry as most of the workers were paid on a piece rate basis. Weaving was classified as a home industry although a few weavers were paid according to their output.

435 472 [288] 369 438 The value of the industrial output in 1931 was estimated to be some $8,570,000. Fifty-seven per cent of this amount was produced by home industry. Cotton products were 56 per cent of the total. The village shops produced more than four times as much as the city shops but the city output per shop was almost twice that of the villages. The average annual output per worker was city shops $890, village shops

2: Gamble S-5 (1926-1933)1954 AF 12 North China AF 12

$400, and home industry workers $54. For the thread spinners production averaged only $13.80 per person per year.

The estimated profit of the shops totaled some $500,000. The gain from home industry was approximately $880,000. The profit per worker was city shops $260, village shops $36. The average gain for the home industry workers was only $10.70. For the thread spinners it was only $2.90. Without them the average was $15.45. The shop profit is figured after the payment of the workers' wages and other expenses, the home industry gain after the payment for raw materials, but before any wage allowance.

Table 92 shows the number of shops and workers and how the industrial work was divided between city and village shops and home industry. Because our production figures are based on estimates the tables give them only to the nearest $10.

Our industry figures are based on five studies:

(1) A survey of the primary and secondary occupations, farming, industrial, and professional, of all persons over 12 years of age in 515 families in the Experimental District. The results of this study are given in Chapter II.

(2) A detailed study of the 204 shops in the city and its three suburbs.

(3) A general study of home and shop industry in the 453 villages and towns.

(4) A house to house survey of the industrial activity of the 2,260 families living in six villages and a detailed study of 1,220 of the 1,740 families reporting some home industry. The findings of this study are reported in Chapter IV.

(5) A historical study of wages, prices, and other factors of cotton ginning and cloth weaving for various parts of the 52 years from 1882 through 1933.

The industrial information for the 515 families was secured as part of our detailed study of those families. The information on the shops in the city and the villages was secured, for the most part, by talking with the masters and workers of the shops. When definite information was unavailable, we endeavored to approximate it with help from neighboring shops or to make our own estimate. When there were only a few families in a particular type of home industry, we secured our figures from them. When large numbers of families were involved, as in spin-

2: Gamble S-5 (1926-1933) 1954 AF 12 North China AF 12

ning and weaving, we had to depend on the knowledge of the village elders or other representative persons to give us figures for the entire village. While our figures are, of necessity, based on the estimates of many different persons and there naturally were wide variations in the figures for the different villages, the proportion of families working, the average number of workers, the amount of output, and the totals and averages seem to give a reasonable approximation of the figures for the different types of industry and for the total industrial activity of the hsien.

Prices naturally varied from month to month and from market to market. With 83 different markets in the hsien there was opportunity for considerable divergence. The prices in our tables are based on figures from the main markets, secured at different times of the year. By averaging the quotations we have tried to show the general price level at the time of our industrial study, 1931.

In order to get at least a rough classification of the different industries we have divided them into seven groups: cotton ginning, spinning and weaving; weaving of non-cotton materials; food; wood and bamboo; metals; chemical goods and processes; miscellaneous. The second group, combining as it does the weaving of wool, hair, reeds, straw, and twigs, is a very heterogeneous group. Some of the other industries might have been otherwise classified but we have not attempted any rearrangement as it would not appreciably affect the principal items shown by the group figures, the generally low average output and gain per worker, the heavy concentration in cotton, and the very small proportion of metal work.

Fifty-six per cent of the total output and 61 per cent of the village shop and home industry output was in the cotton group. According to the tables, 89.7 per cent of the home industry families and 88.7 per cent of the home industry workers were working on cotton. These latter figures are higher than actual because of the large duplication in spinning and weaving, but even if allowance is made for this, on the basis of the duplication in the 1,220 home industry families, both figures are still over 86 per cent.

Almost three-quarters of the city shop output was either chemical goods or foods. It is indicative of general industrial activity in Ting Hsien that metal products were less than 2 per cent of the hsien output.

Only five of the 46 different city industries had reported outputs of

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more than $50,000. Eye medicine, for which Ting Hsien is famous throughout China and southeast Asia, had the largest total, $303,000, produced by 18 shops. This was 40 per cent of the city production. The other four large industries were cotton ginning, cakes and condiments, flour milling, and shoes. The five industries together accounted for 78 per cent of the city's total output.

Four of the 31 village industries, cotton ginning, timber, flour milling, and brick making, had totals of more than $150,000. Only one, cotton ginning, was over $300,000. Its total was $1,811,840. The four industries included 83 per cent of the village industry total.

Five of the 88 home industries—cotton cloth weaving, cotton thread spinning, pig bristle sorting, reed mat weaving, and bean curd making—had totals over $150,000. Three—spinning, weaving, and bristle sorting—were over $500,000. Cotton cloth weaving was the only one over $1,000,000. Its total was $2,307,000. The five industries accounted for 85 per cent of the home industry total.

In the detailed tables we have given an estimate of the rate of profit or gain as a percentage of the value of output of each industry. These can only be rough averages, for the proportion naturally varied from shop to shop and family to family, but the figures show what those in each industry thought was the general rate for their business. The range was from 3 per cent for the home industry vermicelli makers to 52 per cent for the eye medicine makers and 68 per cent for those making the screens used in making paper. The vermicelli makers were able to continue with a low profit because the residue from their operations was good food for pigs.

Four of the city industries reported profits of more than 30 per cent and four less than 10 per cent. Eye medicine was the highest. Vermicelli making was the lowest, with 8 per cent.

Six village industries had average profits over 30 per cent, three were under 10 per cent. Cotton ginning was the lowest with 6 per cent, pewter the highest with 47 per cent.

Because no wages were involved in the home industry figures their gain or profit rates ordinarily were higher than those of the shops. Six of the 86 reported rates were 60 per cent or more, 27 were over 30 per cent, seven were less than 15 per cent, but only one, vermicelli making, was less than 10 per cent. It was 3.0 per cent.

The average gain per worker per year for the different home indus-

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tries ranged from $2.90 for the thread spinners to $427 for the wine makers. For eight industries the amount was over $100 but, except for bristle sorting, these were industries with few workers. Five of the eight industries had not more than 10 workers. For seven industries the amount was less than $5.00 per worker per year, for 14 it was less than $10.00. The seven industries with the lowest amount per worker included 46 per cent of the workers, the top eight industries only 0.6 per cent. The gain of each group was almost the same, 13.8 per cent of the total gain for the lowest group and 13.0 per cent for the top group. The industries with gains of not more than $10.00 per worker per year included 90.5 per cent of the workers, but only 59.3 per cent of the total gain.

Only seven of the 88 home industries—spinning, weaving, bean curd, vermicelli, noodle and soap making, and sesame oil pressing—were reported from all six districts of the hsien and could be said to be hsien wide. Sixty-one per cent were found in only one district.

Every village had at least one home industry, but none had more than eight. The average was 3.4. Spinning was the most widespread. It was reported by all but 16 of the 453 villages. Weaving was done in 378 villages. Bean curd was made in 249, vermicelli in 94, noodles in 77, and sesame oil in 51. These six industries were the only ones found in more than 10 per cent of the villages. Only five other industries were reported by 10 or more villages. Thirty-nine industries, 44 per cent, were reported by only one village; another 17 were found in only two villages.

Very little metal and woodworking was done as home industry. Together their output was only 2.1 per cent of the home industry total. All but one of the different types of metal work were reported by only one village. Only 26 families were doing metal work. Only one type of wood work, pitchfork making, was reported by more than three villages. It was carried on in seven villages. The output of the metal and wood working shops in the city and villages was some five times that of the home industry families. Itinerant blacksmiths and carpenters helped to meet the community need for metal and wood work. Not a few of the metal workers were Shansi men who came down to the coastal plain for work. They brought Shansi iron with them and added to it by accepting locally available scrap in part payment for their work.

Almost three-quarters, 72.5 per cent, of the 204 city shops were small businesses with less than five workers. Only one per cent had more than

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14 workers. They were two large eye medicine shops, one with 25 workers, the other with 45.

The 824 workers in the city shops were divided:

	Number	*Per Cent*
Manager, accountants, clerks	119	14.4
Workmen	543	66.0
Apprentices	162	19.6
	824	100.0

The 162 apprentices were being trained in 117 of the shops, 58 per cent. The training period ordinarily was three years. In some cases it was three years plus a festival. In a few trades it was four or even five years. All the boys were given room and board. Some shops also provided their clothing. No regular wages were paid the apprentices but in most cases they were given presents of money at New Year's time. The amount was usually $5.00 or $10.00 depending on the time the boy had been with the shop. As so many of the shops had relatively few workers there were only 10 that had more than one or two apprentices. One large eye medicine shop reported 10. There was an average of one apprentice to 4.1 other employees and one apprentice to 3.4 other workmen.

The wages paid by some of the shops are shown in Table 94: daily from $0.45 to $1.00, monthly from $3.50 to $30, and yearly from $30 to $70—all plus board and tips.

The estimated value of the goods produced by the city shops totaled some $731,000. This was an average of just under $300 per shop per month. For one-third of the shops the amount was less than $85 per month. Only one-fifth of the shops produced as much as $250 per month.

The estimated profit of the city shops was some $216,000, almost 30 per cent of the value of the output. The high rate of profit of the eye medicine shops, 52 per cent, and their large proportion of the output, 42 per cent, were largely accountable for this high average. Only 10 industries reported a rate of more than 20 per cent and only five more than 25 per cent. Only 20 per cent of the shops were in the "more than 20 per cent" group.

Profits were less than $200 a year for 53 per cent of the shops. Only 14 per cent made as much as $50 a month. Three shops, evidently eye medicine shops, were in the $10,000 a year and over group.

The best reports and estimates we could get on the amount of capital invested in the city shops gave the total as $77,160, an average of only

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$380 per shop. The individual amounts ranged from $30 to $5,500. For 52 per cent of the shops the amount was less than $300. For 81 per cent it was less than $500. The average investment per worker was only $95.

The relatively small amounts of capital shown may be partly due to under-reporting, as the shop keepers naturally were hesitant about giving complete answers to our questions. At the same time it must be remembered that a very large proportion of the shops were in rented quarters. (Eighty-two per cent of the stores in the city rented their buildings and the figure for the shops was probably about the same.) Almost no machinery was used; most of the equipment was inexpensive hand tools; only a small labor investment was required as wages were low and most of the manufacturing processes were simple and short; inventories of finished goods usually were not large. The reported value of the goods produced represented a capital turnover of 9.5 times. The estimated profit was 2.8 times the total capital. Any under-reporting of capital would make these figures larger than actual. It should also be noted that 72 per cent of the total profit was earned by the eye medicine stores, whose estimated profit rate was 52 per cent of their output.

Profit figures for the individual village shops, if available, would undoubtedly be smaller than for the city. The average shop output was only 52 per cent of the city average. The average output per worker was $100, less than half the city average. The total estimated profit for the 1,578 shops was only one-third larger than the total for the 204 city shops. Cotton ginning with a 6 per cent profit was the largest item rather than eye medicine making. The average rate was only 9.1 per cent. For the city shops it was 29.6 per cent.

If the rate of capital turnover was the same in the villages as in the city the average capital for the village shops was $180 and the profit 100 per cent per year.

If, after making allowance for possible under-reporting of capital, the profit rates still seem unduly high, it must be remembered that interest rates on secured personal loans averaged some 21 per cent per year in 1931 and many of the stores paid 18 and 24 per cent per year for money left on deposit with them.

Cotton Ginning and Batting

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Cotton was the fifth Ting Hsien crop in value, $1,770,000. It was the largest money crop, as the other large crops, grains and sweet potatoes,

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439 years old. The 45 stores had 350 employees, of whom 57 were apprentices. The apprentices were being trained by 33 stores. Three of the larger ones had three apprentices each. The capital of the stores ranged from $600 to some $12,000 with the average just under $4,000.

It was said that the cloth market in the city, where the city cloth stores regularly did their buying, was first opened in the 31st year of Ch'ien Lung, 1766. During the winter months, the busy season for the cloth weavers and merchants, the market was generally open from nine to 12 hours on market days. The usual amount of cloth handled was about 1,500 pieces. The smallest amount in 1931 was between 600 and 700 pieces, the largest about 4,000. The largest day's business in the previous 10 years was 17,000 pieces.

During the 10 years 1921–1930 over 10,600,000 pieces of chuang cloth worth over $11,000,000 were shipped from Ting Hsien. Over 70 per cent went to Chahar, with most of the remainder going to Shansi and Suiyuan. Less than one per cent was sent to Hopei.

The cloth going to Chahar and Shansi was shipped in 50 piece bundles except for Ta T'ung. There a bale was 45 pieces. For Suiyuan the cloth was packed in 40 piece bundles except for Hsing He, which used the 50 piece bale.

There was a tax of $1.20 per bale on all shipments except those for Suiyuan. For them the rate was $1.80 per bale. Railroad freight varied from $1.50 to $2.60 per package, the shipping commission from 50 to 90 cents. The total shipping charges amounted to from six to 10 cents per piece for the Chahar and Shansi shipments and from 14 to 16 cents per piece for those sent to Suiyuan.

Some locally grown wool was made into rugs. Rugs were also made from cow hair that had been ground with a stone to remove the lime with which it had been treated, teased with a bow, and spun on the ordinary spinning wheel. The cow hair rugs were being supplanted by factory woven rugs.

Food Industries

438 Bean curd making was a hsien wide activity reported by 249 villages, carried on by 735 families and 1,570 persons. It was a year round activity except for the hottest summer months. The curd was made from green or yellow beans, cotton seed oil, carbon (ashes), and brine. The beans were ground into small pieces, put to soak for five or six hours, then

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ground in a hand operated stone mill. A mixture of cotton seed oil and carbon, that had been boiled together, was added to the bean paste and the mixture brought to a boil. As the cooked bean paste rose to the top of the kettle it was dipped off and put into a cloth bag. The bag was put into a sieve and the liquid pressed out with a wooden paddle. The dried cake was fed to the pigs. The liquor was put into an iron kettle and boiled. The scum, known as "beancurd skin", was skimmed off once or twice. It could be used as food. Salt water was added to the boiled liquid to coagulate the curd. The amount of salt to be added had to be accurately gauged, for with too little the curd would not form, with too much it would be bitter. The curd was put into a mold that was about 2'7" long and 1'7" wide. A piece of cloth, then a bamboo cover, then several bricks were put on top of the mold and left for about two hours to press out any excess liquid. The weight of a finished mold of bean curd was about 37.5 catties. The mold was cut into from 50 to 80 pieces which retailed for two or three cents a piece, or a total of about $1.50.

Noodles were made from wheat flour, salt, and water. About 30 catties of flour were handled at one time. The mixture was first worked into a ball, then rolled out flat and thin with a rolling pin. It was then cut into four or five pieces that were brushed with peanut oil, rolled, and put into an earthen ware crock that was kept warm with a cotton padded cloth cover. After a time the pieces were taken out, spread out on a board, dusted with flour, and then rolled to about finger thickness. These were then rolled up and put back into the crock. When the dough had become soft it was taken out, unrolled, and fastened between two bamboo sticks. Dough and sticks were then put into a brick pit that was about 7 x 3 x 4 feet. One foot of its depth was usually below the ground level to give warmth in winter and coolness in summer. When the dough had reached the proper consistency it was taken out and the bamboo strips were pulled apart to make the strips of dough long and fine. One bamboo rod was then put on top of a frame that was about 10 feet high. The other was allowed to swing clear and by its weight gradually stretch the noodles. Sometimes two or three sticks were added if extra weight was needed. When the strips of dough had been stretched until they almost touched the ground they were allowed to dry. They were then taken down, put on a board, cut into pieces about eight inches

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438 long, and made into bundles that weighed about four ounces each. A man could make about 20 catties of noodles a day by hand.
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Noodle making machines were introduced about 1920 and were used by some of the larger food shops. They were too expensive for home use as they cost $50 for a small machine and $70 for a large one. Their output was about 60 catties per worker per day.

Seventy-seven villages reported 165 families and 412 persons making noodles. The annual output was 573,300 catties worth 10 cents per catty. The reported gain was $27.85 per worker.

438 Another group of 351 families living in 94 villages had 1,206 members
258 who were making fine noodles or vermicelli from beans, kaoliang, and
435 sweet potatoes. Their output was 14,500 catties of bean noodles, 497,000 catties of kaoliang noodles, and 826,750 catties of sweet potato noodles, worth some $160,860. The prices of the noodles were bean 25 cents, kaoliang 15 cents, and sweet potato 10 cents per catty. The estimated gain was only 3.0 per cent, the gain per worker $4.20. This was the only home industry in which the gain was less than 10 per cent. Inquiry showed that the residuum of the noodle making process was used to feed pigs and that these families made most of their home industry gain from pork rather than from noodles. The vermicelli shops reported a profit rate of only 8 per cent.

258 In making bean noodles the beans, after being soaked in water until "bubbles came up from the bottom", were taken out and dried for two days, then ground in a small hand stone mill. The pulp was strained through a sieve into an earthen jar. Yin chiang and hsiao chiang, two kinds of sour paste made from green beans, were then added. The mixture was thoroughly stirred and allowed to settle. The "clean juice" was skimmed off the top and thrown away. The residue was strained again, mixed with more yin chiang and hsiao chiang and, after the "clean juice" had been removed a second time, was put into a cloth and hung up to dry. The white part of the bean flour was used for noodles, the black part was fed to the pigs.

Boiling water was added to the white bean flour to make a paste that was squeezed through small holes in the bottom of a dipper and dropped into a boiling kettle. When cooked the noodles were taken out, put into cold water, and then hung on a frame to dry. The noodles were generally bleached by adding alum to the flour paste. Kaoliang and sweet potato noodles were made by a similar process.

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Other Industries

The equipment for making sesamum seed oil cost some $22.10, a stone mill $14.00, two big iron pots $1.50, an oil pot $4.00, a big willow basket $1.00, two willow twig scoops $1.00, and a long handled gourd dipper 60 cents. One tou of sesame seed made from 6.5 to 7.0 catties of oil, worth 30 cents a catty in 1931. The oil cake was used for fertilizer and was worth $4.50 per 100 catties. 258

Pig bristle sorting was the second largest home industry, with an estimated annual output of some $760,000 and a gain of $95,000. Unlike spinning and weaving, which were almost hsien wide, the bristle industry was concentrated in two villages near the southern border of the hsien, nearly 10 miles from the railroad. The work was carried on by 80 families and 445 workers. Most of the 90 men were engaged in the buying and selling. The women did most of the sorting. It was a business that required the use of considerable amounts of capital, for the bristles were purchased in Shantung, Honan, Shansi, and as far away as the Three Eastern Provinces, shipped to Ting Hsien for processing, and then sold to purchasers from Tientsin for export. Some of the families were able to provide the necessary capital. Others borrowed the needed funds from the money lenders. 438 237

The bristles were washed, combed, and sorted into three sizes, top quality with lengths of from five to seven inches, medium quality from three to four inches long and lowest grade from one to three inches long. The prices ranged from $1.00 to $6.00 per catty with the medium grade price about $2.00 per catty. The bristles too short for export were used locally to help make water baskets and buckets water tight, for bristle rope, or for fertilizer. [241 283]

A worker ordinarily sorted some 20 catties per day. Some of the sorters were paid on a piece work basis which averaged about seven coppers, 1.75 cents, per catty or about 35 cents for a day's work. The estimated gain was some 24 cents per catty.

Mat weaving, the fourth largest home industry, with an output of $361,400, was not as concentrated as the bristle sorting but it was reported by only seven villages, five of which were in the 6th District. Seven hundred and seventy of the 1,012 families lived in one village (see Chapter IV). It, quite naturally, was the chief mat market of the hsien. 285

Mat weaving required almost no tools but did require considerable

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TABLE 97. WORKSHOPS IN CITY AND SUBURBS, 1931

	Shops	Workers	Output	Per Cent Gain
Cotton Ginning, Spinning, and Weaving				
Ginning	18	55	$ 70,890	9
Rope	5	17	5,490	15
	23	72	76,380	
Wool Spinning				
Rugs	1	7	2,590	20
	1	7	2,590	
Food				
Cakes and condiments	9	69	85,350	21
Condiments	1	4	1,470	16
Candy	4	14	2,370	12
Flour mill	31	84	61,980	9
Flour, green bean and noodles	6	22	8,280	10
——, green bean	2	4	1,610	15
Noodles	5	10	6,400	17
Oil, cotton seed and peanut	4	17	12,550	19
——, sesame	7	16	4,950	18
Vermicelli	5	19	18,800	8
	74	259	203,760	
Wood and Bamboo				
Bamboo implements	2	11	6,620	10
Bellows	1	1	200	20
Boxes and wardrobes	5	22	6,810	14
Carts	2	5	2,400	13
Furniture	4	13	4,160	14
Sedan chairs	3	9	2,780	16
Sieves and steamers	2	6	2,380	15
Timber yard	1	3	820	13
Umbrellas	1	4	2,590	11
	21	74	28,760	

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(TABLE 97 CONTINUED)

	Shops	Workers	Output	Per Cent Gain
Metal				
Blacksmith	2	7	3,900	13
Brass	3	6	1,450	38
Brass locks	1	3	1,100	[illegible]
Brass ornaments	1	1	480	59
Iron shop	5	17	2,040	21
Pewter	2	2	630	19
Tin	6	10	2,100	17
	20	46	11,700	
Chemical				
Cosmetics	1	2	4,800	7
Dyeing	9	41	10,110	21
Eye medicine	18	155	303,260	52
Paper	3	26	13,040	11
Soap, chicken fat	2	5	1,780	19
——, Chinese	2	2	250	32
——, foreign	2	6	2,890	16
Tanning	3	8	4,900	18
	40	245	341,110	
Miscellaneous				
Boxes, paper	2	7	1,300	25
Cigarettes	1	6	2,000	20
Flint	1	1	480	10
Heddles	1	1	120	28
Oil baskets	1	2	580	12
Oiled cloth	1	2	1,500	12
Pens	2	8	3,350	11
Shoes	14	86	51,400	12
Shoe parts	1	3	–	–
Uniforms	1	5	5,880	20
	25	121	66,610	
Total	204	824	730,910	
Average		4.0	3,590	
Average per worker			890	

Stores in city, 162; in suburbs, 42.

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TABLE 98. WORKSHOPS IN 453 VILLAGES, 1931

	Shops	Workers	Output	Price[1]	Per Cent Gain
Cotton Ginning, Spinning, and Weaving					
Ginning[2]	316	1,244	$1,811,840		6
	316	1,244	1,811,840		
Food					
Flour mills[2]	251	599	215,150	$ 0.07[3]	14
Oil, cotton seed[2]	107	371	70,500	.11[3]	14
——, peanut	–	–	79,170	.16[3]	–
Wine	3	28	36,620	.17[3]	7
	361	998	401,440		
Wood and Bamboo					
Bamboo implements	1	5	3,000		17
Bellows	2	4	720	4.00	30
Boxes and wardrobes	34	120	21,380		26
Carts	61	207	55,080	62.00	13
Frames	1	6	640		37
Timber yards	614	3,205	290,620		17
	713	3,547	371,440		
Metal					
Blacksmith	20	62	6,590		32
Brass	1	2	700		30
Cotton batting machines	2	10	5,360	40.00	8
Iron goods	3	32	23,660		–
Iron parts of plows	1	11	500		33
Pewter	2	8	700		47
Tin	1	3	210		17
Water wheels	18	168	79,160	89.00	10
Water wheel buckets	8	26	10,000	1.1(	18
	56	322	126,880		
Chemical					
Brick yards	73	1,105	154,060		11
Dyeing[2]	23	81	43,400		19
Earthen vessels	2	28	9,750		22
Paper	7	38	17,200		24
Tanning	7	19	4,860		24
Tiles	4	63	9,930		46
	116	1,334	239,200		

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(TABLE 98 CONTINUED)

	Shops	Workers	Output	Price[1]	Per Cent Gain
Miscellaneous					
Flint	1	5	700	.14	35
Hats	1	3	1,810		3
Rope	5	15	1,410		31
Shoes	5	22	6,360		15
Stockings	4	16	14,400	.25[4]	16
	16	61	24,680		
Total	1,578	7,506[2]	2,975,480		
Average per shop		4.7	1,890		
Average per worker			400		

[1] Each, except as indicated.

[2] Females in four industries: flour mills 156, cotton ginning 144, oils 14, dyeing 3, total 317.

[3] Per catty.

[4] Per pair.

TABLE 99. VILLAGE HOME INDUSTRY: COTTON SPINNING AND WEAVING

	Villages	Families	Males	Females	Output	Price[1]	Per Cent Gain
Cloth, export	203	13,385	7,029	32,092	$1,216,390	$1.20	17
——, big	378	–	–	–	1,090,630	1.80	–
[Gauze, small[3]	1	2	2	–	1,280	1.00	13
[——, large	–	–	–	–	400	2.50	–
Leg bands	3	45	66	67	15,310	.08	19
Rope	2	48	40	15	3,780	.25[2]	31
Sacks, grain	8	285	251	369	32,150	1.45	33
——, money, big	1	10	10	29	1,000	2.00	25
——, money, small	1	5	5	12	200	.20	25
Spinning	437	28,367	2,106	37,613	548,560	.57[2]	21
Waistbands	5	371	301	205	39,260	.40	38
		42,518	9,810	70,402	$2,948,960		

[1] Per piece except as indicated.

[2] Per catty.

[3] Items bracketed were made by the same family.

Table 100. Village Home Industry: Hair, Reed, Straw, Twig, and Wool Weaving

	Villages	Families	Males	Females	Output	Price[1]	% Gain
Hair nets	1	1	–	4	$ 90	$0.02	50
Reed curtains	26	180	232	36	30,540	1.00	20
Reed mats	7	1,012	747	1,041	361,390	.70	29
Reed mat baskets	8	82	134	14	2,500	.15	47
Reed mat covers	9	106	186	4	7,490	.05	30
Straw hats	2	25	–	39	–	–	–
Straw pan covers	10	354	480	145	6,230	.25	60
Sage twig baskets	4	7	9	–	1,910	–[2]	31
Willow twig baskets	13	146	215	45	8,900	–[3]	–
Willow water baskets	12	466	654	232	54,280	.55	20
Willow winnowing and water baskets	2	165	220	10	–	–	–
Willow winnowing baskets	2	22	33	–	4,470	.50	14
Willow scoops	7	12	15	–	790	.07	42
Wool rugs	1	25	45	25	5,040	.80	25
Wool saddle quarter straps	–	5	10	5	1,010	.10	25
		2,608	2,980	1,600	$484,640		

[1] Each.

[2] Manure 10 cents, big 30, grain 80.

[3] Corn 10 cents, manure 20, cotton 30, big 40, open grain $1.00.

Table 101. Village Home Industry: Food

	Villages	Families	Males	Females	Output	Price[1]	Per Cent Gain
Bean curd	249	735	922	648	$162,610	$1.50[2]	20
Bean sauce	1	3	9	–	1,130	.09	22
Candy	2	7	22	–	3,110	.14	10
Noodles	77	165	353	59	57,330	.10	20
Vermicelli, sweet potato	94	351	1,099	107	82,680	.10	3
——, kaoliang					74,560	.15	
——, green bean					3,620	.25	
Sesame candy	4	12	25	–	6,250	.15	13
Sesame oil	51	68	100	42	12,960	.30	17
Vinegar	4	8	29	1	1,670	.04	25
Wine, date	2	2	15	–	3,500	.10	30
——, yellow	2	2	10	–	16,000	.15	27
		1,353	2,584	857	$425,420		

[1] Per catty, except as indicated.

[2] Per mould.

2: Gamble S-5 (1926-1933) 1954 AF12 North China AF12

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TABLE 102. VILLAGE HOME INDUSTRY: WOOD AND BAMBOO

	Villages	Families	Males and Females	Output	Price[1]	Per Cent Gain
Bamboo rakes	1	1	1	$ 140	$ 0.10	–
Bellows	2	3	3	830	4.10	28
Benches, small	1	16	16	250	.05	20
Bread steamers[2]	1	1	3	400	1.10	30
Boxes	–	–	–	1,760	.05	–
Chairs	1	6	6	3,000	1.00	30
Ladles	2	64	90	9,690	.11	18
Looms	1	1	2	160	8.00	38
Pails	3	9	13	1,700	1.00	25
Peanut sieves	1	3	3	50	9.00	33
Pecks[2]	1	1	1	630	2.50	60
Pestles	–	–	–	6,600	.20	–
Pints	2	16	46	1,000	.05	–
Pitchforks	7	76	215	16,100	.50	27
Plows[2]	1	3	5	550	2.10	38
Poles	–	–	–	13,140	.20	–
——, carrying[2]	1	1	2	240	.80	25
——, spade handles	–	–	–	40	.20	28
Rolling pins	2	28	56	5,010	.10	40
Saddles	1	4	9	800	.25	40
Scales	2	2	5	440	–	33
Screens, for paper	2	2	2	150	1.25	68
——, for ko pai	1	1	1	50	.15	66
Seeders	1	1	2	150	3.00	16
Sieve hoops	1	1	3	–	–	20
Spindles	–	50	70	900	.09	28
Spinning wheels	–	2	4	140	.50	20
Thread reels	–	10	20	2,000	.80	25
Toys[2]	1	10	26	320	.04	–
Toy bowls	–	–	–	240	.02	–
Toy incense cases	–	–	–	230	.03	–
Toy lantern bottoms	–	–	–	40	.01	–
Toy penholders	–	–	–	2,700	.03	–
Water wheel handles	1	1	4	800	.10	–
Weaving reeds	–	2	4	700	.35	14
Well windlasses	–	15	16	5,870	2.50	20
Winnowing machines	2	6	12	1,080	12.00	33
		336	640	$77,900		

[1] Each.

[2] Items bracketed were made by the same family.

Table 103. Village Home Industry: Metals

	Villages	Families	Males	Output	Price[1]	Per Cent Gain
Corn removers	1	1	2	$ 140	$ 0.01	30
Horse shoes	1	1	3	680	.15[2]	27
Kettles	1	1	1	200	–	40
Lanterns	1	1	1	200	–	30
Locks	1	2	4	1,010	.10	10
Looms	1	1	2	500	28.00	27
Rakes	1	1	1	80	.40	25
Razors	1	1	3	450	.18	22
Vegetable cutters	1	3	6	410	.12	25
Wire lanterns	1	2	3	70	.15	66
Wire scoops[3]	1	12	25	22,800	.125	17
Wire horse muzzles	–	–	–	210	.07	–
Wire mouse traps	–	–	–	400	.04	–
		26	51	$26,770		

[1] Each, except as indicated. [2] Per set.
[3] Items bracketed were made by the same family.

Table 104. Village Home Industry: Chemicals

	Villages	Families	Males	Females	Output	Price[1]	Per Cent Gain
Candles	2	4	21	–	$ 4,720	$0.18	44
Firecrackers	9	64	164	56	12,920		37
Glue	1	6	15	–	6,440	.35	15
Incense	2	19	75	30	9,370	.03[2]	17
Leather	3	3	12	–	4,860		19
Matches	1	7	9	5	280	.04	63
Paper, black	1	5	8	5	550	3.30[3]	38
——, ko pei	1	16	80	–	11,430	1.43[3]	11
——, straw[4]	2	13	55	–	2,560	.05	50
——, tinder	–	–	–	–	140	.41[3]	
Soap	9	28	32	9	3,360	.74	26
Toilet preparations[5]	3	1	6	–	1,800[4]	–[5]	37
Face powder	2	7	12	–	400	1.10	49
		173	489	105	$58,810		

[1] Per catty, except as indicated. [2] Per bundle. [3] Per 1,000 pieces.
[4] Items bracketed were made by the same family.
[5] Toilet preparations:

Cosmetics	$ 500	$0.10 per bottle	Cologne	200	.20 per bottle
Pomatum	450	.15 " "	Tooth powder	80	.02 " bag
Perfume cream	330	.07 " "	Total	$1,800	
Talc powder	240	.16 " box			

2:Gamble S-5 (1926-1933) 1954 AF12 North China AF12

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TABLE 105. VILLAGE HOME INDUSTRY: MISCELLANEOUS

	Villages	Families	Males	Females	Output	Price[1]	Per Cent Gain
Bristles, pig	2	80	90	355	$760,000	$1.90[2]	13
Brooms	17	214	269	–	9,130	.10	30
Brushes	3	42	43	5	5,610	.02–.04	25
Heddles	3	18	43	12	1,970	.305	27
Horse collars	1	1	2	–	500	1.00	20
Rope, hemp	4	15	30	12	9,510	.33[2]	15
Sausage casings, pig[5]	1	15	30	15	43,200	.30[3]	17
——, sheep	–	–	–	–	12,000	.40[3]	–
Shoes	1	1	3	–	1,080	1.50[4]	27
		386	510	399	$843,000		

[1] Each, except as indicated.
[2] Per catty.
[3] Per piece.
[4] Per pair.
[5] Items bracketed were made by the same family.

TABLE 106. NUMBER OF DIFFERENT HOME INDUSTRIES IN VILLAGES

Industries	Villages	Per Cent	Industries	Villages	Per Cent
1	28	6.2	5	56	12.4
2	96	21.2	6	26	5.7
3	135	29.8	7	10	2.2
4	101	22.3	8	1	0.2
				453	100.0

2: Gamble S-5 (1926-1933)1954 AF12 North China AF12

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TABLE 107. CITY WORKSHOPS

Workers

Number	*Shops*	*Persons*	*Per Cent*
Under 5	148	381	72.5
5–9	44	262	21.6
10–14	10	111	4.9
15–19	–	–	–
20 and over	2	70	1.0
	204	824	100.0

Apprentices

Number	*Shops*	*Per Cent*	*Apprentices*
None	87	42.7	–
1	91	44.6	91
2	16	7.8	32
3	7	3.4	21
4	2	1.0	8
10	1	0.5	10
	204	100.0	162

Invested Capital

Amount	*Shops*	*Per Cent*
Under $100	22	10.8
100–199	44	21.5
200–299	40	19.6
300–399	39	19.1
400–499	21	10.3
500–599	12	5.9
600–999	10	4.9
1,000–1,999	11	5.4
2,000 and over	5	2.5
	204	100.0

Minimum	$50	Average	$380
Maximum	$5,500	Capital per worker	$95
Total	$77,160		

(continued on next page)

2: Gamble S-5 (1926-1933) 1954 . AF12 North China AF12

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(TABLE 107 CONTINUED)

Value of Goods Produced

Amount	*Shops*	*Per Cent*
Under $1,000	68	33.5
1,000–1,999	59	29.0
2,000–2,999	34	16.8
3,000–3,999	8	3.9
4,000–4,999	7	3.4
5,000–5,999	7	3.4
6,000–9,999	10	5.0
10,000–14,999	2	1.0
15,000–24,999	4	2.0
25,000–49,999	2	1.0
50,000 and over	2	1.0
	203[1]	100.0

Total $730,910.

[1] One shop omitted. Makes shoes for shoe store from material supplied by store. Income represents value of work done rather than of goods produced.

Annual Profit

Amount	*Shops*	*Per Cent*
Under $200	109	53.7
200–399	46	22.7
400–599	19	9.3
600–799	1	0.5
800–999	3	1.5
1,000–1,499	9	4.4
1,500–2,499	7	3.4
2,500–4,999	6	3.0
10,000 and over	3	1.5
	203	100.0

Total $216,150.

4: Burgess E-4, 5 (1926-1927) 1928 AF12 North China AF12

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In the internal life of the village, common affairs, such as the lesser legal disputes and providing the village teacher for the children, are in the hands of the village elders, an informal group of the older family heads who act as advisers of the headman of the village. The chief occupation is agriculture, and the clothing is frequently made from cotton grown in the local area. The religious life of the villagers is to a large extent confined to the worship of the ancestors in the homes and to the worship at the village temple, which also has its annual festival.

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Certain group activities are engaged in by the villagers under the direction of the elders. The most common of these is the organization and work of the "Ching Miao Hui" or "Society for the Protection of the Growing Crops." Each family is requested to supply a certain number of youths to watch in turn over the growing crops. Frequently, also, families are asked to supply able-bodied men for the local militia to protect the village from bandits. The representation of the Chinese village as a democracy has been greatly overdone. As a matter of fact, it is a little oligarchy, controlled by the heads of the more important families. Among these heads there is a large degree of cooperation and counsel, but the people as a whole have practically nothing to say about the affairs of the village. In dealing with officials, the village headman represents the entire village unit.

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THE MARKET TOWN AREA

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Each village is linked up with a local market-town area. To this town on certain fixed days each month the farmer may take his excess produce for sale and here he may buy farm implements, grain, cattle, cloth or other products which he needs. Frequently the local areas specialize in producing certain goods, gold work, agricultural implements, cloth, jewelry, or other products. For the most part, how-

4: Burgess E-4.5 (1926-1927) 1928 AF12 North China AF12

ever, the economic life of the market area is self-sufficient. The limited excess products of the villages in the district supply goods for the needs of the area.

In these market towns there are small "Chambers of Commerce" of modern origin (*Shang Hui*) that have to do with making the regulations for marketing goods on the given days and also with regulating the stores and shops that grow up in the market town itself. It was found that in the above-mentioned village of Yen Chiu certain government taxes, such as the wine and tobacco taxes, were collected by the Chamber of Commerce.

THE TOWN

The Chinese walled towns or cities are merely outgrowths of the market towns or enlarged trading centers, many of which have prestige because they have become the political center of the county or of a larger area and are the headquarters of the local prefect.[1]

The guilds of the type described in this paper are, so far as has been discovered, confined to the towns and cities. It must not be forgotten, however, that the apprentices in these guilds come largely from the country and bring with them the clan and village background above described. The walled towns, moreover, are still the centers for the markets for the surrounding rural areas, which are held on fixed days in each month.

The *China Year Book* for 1926 lists 36 cities with a population each of 1,000,000. There are some 1,500 cities in China with a total of about 75,000,000 inhabitants.[2] Most of the city population is engaged in industrial, commercial or political activities.

[1] *Cf.* Williams, *China, Yesterday and Today* (New York, 1923), and Tao and Leong, *Village and Town Life in China* (London, 1915).

[2] Williams, *op. cit.*, p. 123.

4: Burgess E-4, 5 (1926-1927) 1928 AF12 North China A

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The majority of the town population live by their handicraft, working in small shops . . . open on the narrow alleys of the native cities. . . . A tremendous amount of work is done in these front shops. . . . Passing down a street you see carpenters, tinsmiths, blacksmiths, metal workers, furniture makers, ivory carvers, lacquer workers, fan makers, kingfisher feather workers, embroiderers, coffin makers, all at work in the front shops. Almost every form of productive activity, save those processes which need a large plant and special conditions, may be seen as one passes along almost any Chinese street. . . . In these small industries there may be a certain number of hired persons, and apprentices are frequently taken in and trained. . . .The best of such industries are like large families. It has been estimated that no more than 5 per cent to 10 per cent of the population are families engaged in handicrafts, some 8,000,000 persons being actually so employed.[1]

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Until very recently practically all manufactured goods sold in China were made by the guilds. Even today the total imports average less than two dollars American currency per head, which indicates that manufacture is still confined largely to the guilds.

Although it is anticipating the detailed description of the guilds, it should be mentioned that there are close similarities in clan, village and guild organization and in the resultant characteristic attitudes of the members of these groups. The paternalistic control by the elders, the solidarity in the face of official interference and the extreme "localism" or group-confined interest of the clan, village and guild are all similar. There is a close correspondence between the clan worship of its ancestors and the guild worship of its founder.[2]

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Although not so numerous as the agricultural group, the

[1] C. L. Malone, *New China* (London, 1927), Part II, pp. 2-3.

[2] *Cf.*, pp. 181-182.

4: Burgess E-4, 5 (1926-1927) 1928 AF12 North China AF12

inhabitants of these industrial and commercial centers — the Chinese cities—performed a very important function in the life of ancient China.

These cities, which for the most part were the places of residence of the local officials, were economically autonomous. Not only was their manufacturing carried on by the local crafts, but their food came from the immediately adjacent countryside and frequently they maintained their own financial systems and special forms of taxation.

Elsewhere [1] has been discussed the effect on the process of adjustment to Western economic and cultural aggression of the Chinese attitudes resultant from this ancient social pattern, with its paternalistic control by the elders, its group solidarity and purely local interest.

The guilds are one expresion of this pattern. Guild organization is sufficiently extensive throughout China, and guild membership sufficiently numerous, to make this study of significance, provided the guilds studied are sufficiently like the guilds of other cities. Although no detailed study has been made of the guilds in any other city, references made in general works on China, the few general studies made of the guilds and the reports of our own investigators on the guilds in Foochow and Nanking all indicate that the organization and functions of industrial, commercial and professional guilds are very similar throughout China.

POPULATION PRESSURE

In addition to a consideration of the organization of clan, village and town, if the guild is to be pictured in its total setting two other factors should be discussed, namely, population pressure and the governmental system.

The facts collected by W. H. Mallory in *China, Land of*

[1] J. S. Burgess, "The New Cycle of Cathay and America's Part in it," *The Survey Graphic*, May 1, 1926, p. 183.

4: Burgess E-4, 5 (1926-1927) 1928 AF12 North China AF12

*438 656 175 There is ample evidence that both commerce and handcrafts were fully developed many centuries B. C. The *Chou Li*, or Annals of the Chou Dynasty (1122–249 B. C.), contain these words: "The fifth officer is called the chief of manufacturers. He orders the making up of the eight materials. The sixth officer is called the chief of trade. He provides for an abundant circulation of goods and money." [1] It is evident that the government at that early date had a close relationship with and supervision of both commerce and trade.

B. Historical Evidence Regarding Guild Origin

*441 *467 175 It is interesting to note that Morse finds that the Bankers Guild of Ningpo traces its origin to the establishment of the Bureau of the Treasury of the same Chou Dynasty and also to the institution of the different standards of currency in the Han Dynasty (B.C. 206 to A. D. 25). In ancient Chinese literature in general, however, there is little or no reference to the guilds. The interest of the writers was in officials and scholars, not in artisans or merchants. The present writer has been unable to secure anything corresponding to the recorded history which the guildsmen keep themselves. In the case of many of the craft guilds the members are illiterate, but the usual practice in all guilds is to employ a secretary who keeps the records. Up to the present, however, it has been impossible to secure such records.

The preamble of regulations and the common tradition of the guild frequently assign an earlier date to the founding, but more often the reply as to when the guild was founded is given in the words of the preamble of the regulations of the Wenchou Druggists Guild — that the guilds have been at work "from the days of yore to the present." [2]

[1] Quoted by E. T. Williams in *China, Yesterday and Today*, p. 147.

[2] Morse, *op. cit.*

4: Burgess E-4.5 (1926-1927) 1928 AF12 North China AF12

life.[1] At the present time in some craft guilds the invitation to the annual meeting is a request merely to worship the "guild god"; no mention is made of the transaction of business which plays a prominent part in the gathering.[2]

(2) There can be no denying the fact, substantiated by observation in North China, and also by D. H. Kulp in his book, *Village Life in South China,* that not only many villages but frequently larger towns are practically made up of persons of one name. In a private conversation Admiral Tsai Ting Kan, a prominent official in the Peking government, himself a native of Kwangtung Province, told of towns in Southern China of a good many thousand inhabitants where not only were the elders of the town the heads of the clan but the entire industry of the town was organized and monopolized by the clan. It is at least possible that many of the earliest guilds may have originated thus. This theory could have two forms: either these towns, originally dominated by those of one blood, took in members of other clans as they enlarged but left the monopoly of their particular trade or trades in the hands of the original stock, thus forming guilds within the city population; or those of one blood and name, in going to a nearby town, formed a monopolistic association to protect the clan members in making a livelihood.

(3) Another theory, which is advocated by Douglas, is that the guilds grew out of provincial or district associations. When persons of one district move to another place they frequently form associations for mutual protection. Douglas thus describes what he considers the origin of the commercial guilds:

A later development of trade has been the adoption of guilds,

[1] *Cf.* pp. 174-189.

[2] *Cf.* p. 96.

4: Burgess E-4, 5 (1926-1927) 1928 AF12 North China AF12

whose halls are often among the handsomest buildings to be met with in the busy centres of trade. The idea first took shape in a curious way. Provincial mandarins on visiting the capital found that they were quite unable to cope singly with the exactions of the officials and the insults which their local pronunciations and provincial attires drew upon them from the people. They determined, therefore, to combine for mutual protection, and to establish guilds as common centres for protection in case of need, and for the more congenial purpose of social intercourse.

Strange as it may seem to those who only hear of the opposition shown by Chinamen to foreigners, it is yet a fact that a like hostility, though in a mitigated form, is commonly displayed towards natives of other provinces and districts. Like the provincial mandarins at Peking, travelling merchants found the advantage of being able to show a united front to the annoyances which they suffered from the natives of "outside provinces," and, following the example set in the capital, they founded provincial guilds in all parts of the country where trade or pleasure made their presence either necessary or convenient. Natives of Canton visiting Cheh-kiang or Hunan are now no longer subjected to the insults to which they were accustomed at the native inns. In their provincial guilds they may count on security and comfort, and if merchants, they are sure to find among the frequenters of the clubs either customers for their goods or vendors of the products which they may wish to buy. The more strictly mercantile guilds serve invaluable purposes in the promotion of trade. Each is presided over by a president, who is helped in the administration by a specially elected committee and a permanent secretary.[1]

Morse thus describes the preamble of the Ningpo Club, Wenchow:

Here at Wenchow we find ourselves isolated, mountains and seas separate us from Ningpo, and when in trading we excite the

[1] Robert K. Douglas, *Society in China* (London, 1895), pp. 142-3.

4: Burgess E-4.5 (1926-1927) 1928 AF12 North China AF12

envy and hostility of the Wenchow traders, and suffer insult and injury, we have no adequate means of redress. Mercantile firms, if each looks only after its own interests, will experience disgrace and loss, the natural outcome of isolated and individual resistance. It is this which imposes on us the duty of establishing a club.[1]

In this study some evidence was found that some of the guilds in which membership was formerly confined to those of one district may have originated in this way. The following description given by a representative of the Tailors Guild would bear out this theory:

This profession, we are told, originated in the South. The tailors who first came to Peking found it very difficult to find a lodging-place; so they called a meeting of their fellow-tradesmen to discuss the difficulty. The first proposal was that one per cent of everyone's salary should be given towards the organization of the guild and the building of a guild headquarters. The fund asked proved insufficient, so customers were asked for contributions. With these funds the Guild House was established during the Ming dynasty.

The Actors, in like manner, originally came from Anhui, and it may be possible that the Actors Club originated in close identity with the Actors Provincial Club, although the available material does not furnish any evidence along this line. The Water Carriers in Peking are almost entirely from Shantung, and the Bankers are invariably from Shansi.

(4) Another explanation of the origin of the guild may be found in the study of the inherent reasons for guild organization present both in contemporary Chinese society and in the ancient social structure. From of old the officials have levied taxes of one kind or another on commercial trans-

[1] Morse, *op. cit.*, p. 44.

4: Burgess E-4, 5 (1926-1927) 1928 AF12 North China AF12

*441 *467 651 actions. Craftsmen and merchants united into guilds so that they might thereby be able to present a solid front against excessive taxation. There is every evidence that such exploitation is very ancient, running back long before Confucius, Mencius, and other classical writers who commented on the unjust practices of officials. The guild may have arisen primarily as a means of protection from official exploitation.

*441 *467 (5) The pressure of population upon the food supply in China has already been commented upon.[1] The economic need of a large part of the population and the fact that there literally was not enough food to go around, would be natural incentives toward the formation of monopolistic groups to protect group interests in a given area.

D. The Historical Development of the Guild

*441 *467 175 There are more recent references that show that guilds were in existence some hundreds of years ago. Marco Polo, although not considered the most trustworthy of reporters, at least can be relied on in the matter of affirming the presence of guilds in China. He finds during the reign of Kubla Khan (1260-1294) a high development of guilds in Hangchow. There were in Hangchow twelve guilds of different crafts, and each guild had 12,000 houses occupied by its workmen.[2]

• 438 Douglas thus discusses the antiquity of commerce in China:

> As for everything else in China, a vast antiquity is claimed for the beginning of commerce. In the earliest native works extant mention occurs of the efforts made to barter the products of one district for those of another, and to dispose of the superfluous goods of China by exchange with the merchandise of the

[1] *Cf.* pp. 30-31.

[2] Quoted by E. T. Williams in *China, Yesterday and Today*, p. 187.

4: Burgess E-4, 5 (1926-1927).1928 AF12 North China AF12

neighboring countries. The subject was not considered beneath the notice of the earliest philosophers, and Confucius on several occasions gave utterance to his views on the matter.[1]

There are many scattered references to the guilds in works on China published during the nineteenth century. The principal ones, however, have to do with the relations of foreign traders with guilds unlike the type discussed in this study, namely, what Morse terms the Guild Merchants. The dealings of traders of various countries with an organization of this nature known as the *Co-Hong* of Canton are discussed in great detail by Morse, Auber, and other writers on Chinese commercial history. As this type of guild is not included in this survey, it need not be discussed further.

But there are also references to the guilds of the type we are studying. Peter Auber, in his well-known work *China*, gives an interesting sidelight on the early effects of trade on the guilds. This note is dated 1831:

> In two districts in the immediate vicinity of Canton, and in another about twenty miles distant from it, very serious commotions have taken place among the natives at the introduction of cotton yarn. They loudly complain that it has deprived their women and children, who had previously been employed in the spinning of thread, of the means of subsistence. They have resolved not to employ the cotton yarn in the looms and have expressed their determination to burn any of it which may be brought to their villages.[2]

Morse also mentions struggles between the Chinese merchants and the foreign traders, and shows the solidarity of guild action in resistance to measures contrary to their interests. His note on the Tea Guild at Hankow illustrates this point:

[1] Douglas, *op. cit.*, p. 141.

[2] Auber, *China: an Outline of its Government, Laws and Policy* (London, 1834), p. 64.

4: Burgess E-4, 5 (1926-1927) 1928 AF12 North China AF12

*441 438 In 1883 a long pending dispute between the gild and the foreign merchants came to a head, the gild complaining of the constant use of false weights by the Europeans, and the latter complaining of the constant false samples. The foreigners refused to accept the gild's suggestions for a settlement, and combined to stop buying tea. The gild accepted the challenge and gave orders to stop selling. In the issue thus joined, the bilateral boycott, the ever-united Chinese had the advantage over the ever-disunited Europeans and carried off the victory.[1]

E. The Founding of the Peking Guilds

*441 *467 The reports from the Peking guildsmen as to the date of founding of their guilds are frequently vague and indefinite, but they furnish interesting data regarding the history and development of the guilds. There is evidently confusion between the terms "founding" and "reorganizing." This same confusion was found in the reports given to Mr. Gamble.[2] Evidently during the long histories of these organizations there have been frequent dissolutions especially at the end of a dynasty, with subsequent reorganization of the guilds. Possibly the new dynasties promulgated new regulations for these organizations, or it may have been that in such cases as the Tai Ping Rebellion trade was so disorganized that the old associations ceased to function, and later, in peaceful times, were reorganized. Table V gives the reported dates of the founding of the Peking guilds. The larger number of guilds were reported as being "founded" (which probably means "reorganized") in the reign of Kwang Hsu and during the first years of the Republic. The coming of foreign trade during the latter part of the nineteenth century and the many economic changes incurred thereby would seem sufficient reason for the reorganization

[1] Morse, *op. cit.*, pp. 28-29.

[2] Gamble and Burgess, *op. cit.*

6:Young et. al. E-5 (1928-1929) 1930 AF12 North China AF12

there were only about twenty moderate sized shops which served as resting places for travellers to and from the northwest of China. There was also a royal granary of considerable importance on the south-eastern border of Ching Ho at a distance of of about one *li* where a large amount of foodstuffs collected from the Southern provinces of the Empire, and transported north by way of the Grand Canal and Tungchow, were stored. Around the granary lived a large number of guards and carriers who were the regular customers of the small shops in Ching Ho.

Some time during the closing years of the last century—a date which we have not been able to ascertain definitely—a system was established for the exchange of grain. Before that time the farmers of the district northwest of Peping often marketed their grain at the Pinghsifu (平西府) market or the Sha-ho (沙河) market. But owing to its proximity to Peping and its strategic position on the great northwestern highway Ching Ho has rapidly developed into one of most important market towns in the northwestern area of Hopei (Chihli) Province. At the time of the Boxer Rebellion Ching Ho was already notable as a market town, and the temporary foreign rulers in Peping even sent agents to help maintain the market in a peaceful and orderly state.

Later, during the closing years of the Tsing Dynasty the town grew rapidly on account of the establishment of a number of government institutions, a military academy, a military factory and an aerodrome all in the west of the town. Ching Ho became not only the first grain market in the northwestern

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area of Hopei Province, but also a very large market 438 ●
for the distribution of manufactured commodities to 1/14
the neighbouring farmers and the government em-
ployees. Towards the end of the Tsing Dynasty a [497]
railway was built connecting Peping with Kalgan
direct. Although there is a station at Ching Ho it is
some distance from the town. It is more convenient
for farmers to transport their grain and agricultural
produce directly through to Peping by the railway
than to stop at Ching Ho to market it there. Con-
sequently the grain market at West Gate of Peping
(Hsichihmen) is competing with Ching Ho, and is
threatening to take its place as the most important
grain market in this district. Some time after the [464]
revolution all the government institutions, such as
the military academy, the military factory and the
acrodrome have been suspended owing to political
disturbances, and a large number of people have been
thrown out of employment. But the disadvantages
through political disburbances have been in some
measure offset by the fact that communications by
railway were also upset, and so grain passing
through on old highway has given Ching Ho a tem-
porary opportunity of reviving its ealier prestige.
When the political situation improves it is confidently
expected that both the government institutions and
the railway will resume, and that although the posi-
tion of Ching Ho as the primary grain collecting
centre of the northwestern area will probably be im-
paired, yer its position as a distributinn centre for the
surrounding neighbourhood, and for the goverinment
institutions, will be strengthened.

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631 of wan Ping Hsien, This center maintains only a police siation in order to preserve order and to collect taxes. This southern part consists of only nine small villages with 510 families while the northern centre controls thirty four villages of 5,000 families. The northern area also has a considerable number of political organizations, and is the political centre of local selfgovernment. A detailed account of local polities will be given in a later chapter.

IV. Trade Connection.

438 443 Ching Ho is both a collecting and distributing centre for the district, and the area may be divided into four widely different trading zones. The largest of these zones is that for the collection of grain. Its size is due to the fact that although there may be inconvenience to the farmer in bringing his grain a greater distance, still he is able to commend a better price at Ching Ho than if he were to sell to travelling merchants. The zone includes a large area on the northern side of Ching Ho stretching towards Sha Ho along the old highway. Sha Ho is ten miles from Ching Ho, but the merchants prefer to bring their grain to Ching Ho where they can get better prices than in Sha Ho. Six miles to the northeast is the Pingsifu market which again attracts a smaller market than Ching Ho. Both these markets have a longer history than Ching Ho market and were formerly the centres for the Ching Ho area, but owing to the proximity of Ching Ho to Peping, and its position on the old highway to Kalgan it has now taken a more important position. To the northwest is the market

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of How Chuang (後廠) which has been establisted for less than ten years, and cannot compare with Ching Ho in the amount of business. However, these three markets are able to work amicably with the Ching Ho market. Because of its better prices and larger market the trade zone for Ching Ho stretches about two thirds of the distance towards these other markets and they draw their clientele from the smaller area. There is also an arrangement regarding market days by which Ching Ho holds its market on the odd days of the Chinese month, and the other place open their markets on even days. 438 443

The area of the zone to the south of Ching Ho is rather small, owing to the small crop of grain produced in that region, and not, as might be thought at first sight, because of its proximity to the Hsichimen, Peping. The land in this part has been used largely for cemetaries, and the area of land per household is very small, only producing enough for the tenants' own consumption. Indeed, in many cases farmers have to bring foodstuffs from the Ching Ho market.

The second zone comprises a distributing area for farm produce other than grain. Little of the grain collected in the first mentioned zone is consumed locally, but is mostly sent to Peping or other larger cities for milling and redistribution. But Ching Ho is a distributing centre for vegetables, fruit, peanuts, and sweet potatoes, particularly for the area south of the town. The zone covers an area which extends almost to the city wall of Peping.

In addition to these two large zones for the collection and districution of grain and other farm produce,

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443 there are two other zones one for the distribution of daily necessities such as oil, salt, sauce etc., and the other for the districation of such commodities as clothing, hardware, farm implements etc. Because of the necessity of daily buying for the first mentioned class of goods, the source of supply must be near at hand, and therefore the zone for the distribution of such commodities is naturally smaller, and in a circular form. The neighbouring towns and villages usually have small stores of their own, where the village people would naturally buy their everyday needs rather than go to Ching Ho where the money saved by buying in the larger market would not compensate for the long journey incurred.

The last zone comprises the area for the distribution of the more important and expensive goods. If a buyer wishes to spend one dollar or more he will go to the cheaper market notwithstanding the long distance, and there are also many commodities which cannot be obtained in the small village store. Therefore, this last zone covers an area almost equal to that for the collection of grain. In fact it coincide very closely with the grain collecting area because many of these people who market their grain in Ching Ho take back their daily necessities and other commodities from the town on their return journey. Outside of an area of about six miles we find that people are only interested in the sale of their produce and not interested in Ching Ho as buyers, and to the south of the town the people are familiar with Peping prices, and prefer to make their purchases in the city.

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sold by the factory must, first of all, be reported to the Inspectorate and duties thereon paid accordingly. Upon the receipt of the duties, permits are issued enabling the salt to be sold or disposed of in the designated areas. The payment of salt duties differs in the two sections of the factory. In the four shops of the west section, the duty on crude salt is paid before it is taken into the factory and another duty is paid again, when it is refined. In the two shops of the east section, however, salt is directly shipped from the fields to the factory store and the two duties are paid in a lump sum, when refined salt is made. Further, while the refined salt of the west shops may be deposited in the factory store house, that of the east shops must be deposited in store houses designated by the Inspectorate. An agent of the Chiang-Lu District Salt Inspectorate has an office near the Railway Station for collecting the duties and supervising salt removals. A large quantity of refined salt produced by the Chiu Ta Factory is shipped to Tientsin, Shanghai and other places, as the sale is limited only to trading ports. On account of this restriction, the interior of China is denied the use of this refined salt, unless it is sold by merchants who possess the right of exclusive sale of that place. It has been estimated that Tientsin and Shanghai take only 30 per cent of the annual production of the Chiu Ta Factory, while the remaining 70 per cent is largely absorbed in Hankow and Kiukiang.

The Place of the Chiu Ta Refinery Examined.—The Chiu Ta Salt Refinery is a pioneer organization in this country in developing the salt refining industry and improving the quality of salt. Since its formation in 1916, all salt merchants have begun to realize the importance of salt refining; and within a period of less than eleven years, salt refineries have been established one after another in several coastal towns. As a consequence, the importation of foreign salt which has always been duty-free has somewhat diminished. Further, the technical experts of the Refinery have from time to time made improvements in the process of salt refining. There is no doubt that the Chiu Ta Company has performed a unique service in develop-